



2004 CROP INSURANCE FACT SHEET

APPLES

New Hampshire



THIS FACT SHEET POINTS OUT ONLY CERTAIN FEATURES OF CROP INSURANCE AND IS NOT INTENDED TO BE COMPREHENSIVE. THE INFORMATION CONTAINED HEREIN NEITHER MODIFIES NOR REPLACES TERMS AND CONDITIONS OF THE BASIC POLICY, THE CROP PROVISIONS, OR THE COUNTY ACTUARIAL DOCUMENTS. CONTACT A CROP INSURANCE AGENT FOR FURTHER DETAILS.

CROP INSURED

Insurable apples will be any variety of apples adapted to the area and located on insurable acreage that has already produced at least 150 bushels per acre. An orchard inspection may be required before coverage begins.

COUNTIES

Belknap
Hillsborough

Carroll
Merrimack

Cheshire
Rockingham

Coos
Strafford

Grafton
Sullivan

(Apples in other counties may be insurable by individual written agreement if specific criteria are met. Contact an agent for more details.)

CAUSES OF LOSS

- **Adverse Weather Conditions** (natural weather perils)
- **Fire**, unless weeds or undergrowth are not controlled, or unmulched pruning debris is not removed
- **Insects & Plant Disease**, but not damage due to insufficient or improper application of control measures
- **Failure of Irrigation Water Supply**, if caused by an insured peril during the insurance period
- **Wildlife**

The policy does **not** cover market fluctuations, mechanical damage (including limb rubs, scars, etc.), russetting, or the failure of fruit to size, shape, or color properly.

IMPORTANT DATES

Sales Closing ----- November 20, 2003	Production Report Due ----- January 4, 2004
Acreage Report Due ----- January 31, 2004	Premium Billing ----- September 15, 2004

REPORTING REQUIREMENTS

Production Report	Required by date shown above and must include a production report for the previous year, number and ages of bearing trees, any changes that may adversely impact yield potential (e.g., tree removal, change in cultural practices, etc.), and other information as required by the policy.
Acreage Report	An acreage report is due to your agent by the date shown above to include all acreage (insurable and uninsurable) in which you have a share.
Notice of Claim	<ul style="list-style-type: none">• If crop damage occurs, give notice within 72 hours of initial discovery of damage.• If you intend to claim an indemnity, give notice at least 15 days prior to the beginning of harvest, or immediately if damage is discovered during harvest.• If crop will not be harvested, give notice within 3 days of the date harvest should have started.
You must give at least 15-day notice before any production is sold by direct marketing so that an appraisal can be made.	

INSURANCE PERIOD

Coverage begins on November 21 and ends at the earliest of:

- ◆ Total destruction of the crop
- ◆ Harvest of the crop
- ◆ Final adjustment of a claim
- ◆ Abandonment of the orchard
- ◆ November 5, 2004.

COVERAGE LEVEL & PREMIUM SUBSIDY

Coverage level options range from 50 to 75 percent of your average yield and are subsidized as shown in the table below. As an example, an average yield of 500 bu/ac results in a guarantee of 250 bu/ac at the 50% coverage level.

Level of Coverage	50%	55%	60%	65%	70%	75%
Premium Subsidy	67%	64%	64%	59%	59%	55%
Your Premium Share	33%	36%	36%	41%	41%	45%

Catastrophic (CAT) Coverage is fixed at 50% of average yield and 55% of the Price Election. CAT is 100% subsidized with no premium cost to you except for an administrative fee of \$100, regardless of the acreage.

OPTIONS A & B: COVERAGE FOR DAMAGE TO QUALITY

Protection against a deterioration in fruit quality due to hail is available for an additional premium:

- Option A provides coverage against hail damage to processing apples not grading U.S. No. 1 (processing);
- Option B provides coverage against hail damage to fresh fruit apples not grading U.S. Fancy.

OPTION C: VARIETAL GROUPS

Option C allows for units and price elections by varietal group but requires separate records by variety.

Varietal Group A	Braeburn Jonagold	Cameo Macoun	Crispin Pink Lady	Fuji Royal Gala	Gala	Honeycrisp Sommerfeld
Varietal Group B	All other varieties not specified above in Group A.					

NOTE: Options A, B, & C are not available with the CAT endorsement.

PRICE ELECTIONS

Policy Options		Fresh	Processing
Basic Policy		11.30	1.40
Option A		N/A	
Option B (Option A provisions will apply to any processing apples)		11.30	N/A
Option C	Varietal Group A	9.80	
	Varietal Group B	6.15	

LOSS EXAMPLE

(Assume 500 bu/ac average yield at 50% coverage level with fresh fruit quality option B.)

500	bushels per acre average yield
x .50	coverage level percentage
250	bushels per acre guarantee
- 100	bushels per acre production
150	bushels per acre loss
x \$11.30	price election (fresh)
\$1695	gross indemnity per acre
- \$65	estimated producer's share of premium per acre
\$1630	net indemnity per acre

For more information, visit the Risk Management Agency web site at www.rma.usda.gov

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